



October 15, 2013

Austin, TX  
5929 Balcones Drive, Suite 200  
Austin, TX 78731-4280  
Phone: 512.343.2544  
Fax: 512.343.0119

**VIA ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

RE: **WC Docket Nos. 10-90 and 11-42**  
**Annual Report Pursuant to 47 C.F.R. §§ 54.313 and 54.422**

Dear Ms. Dortch:

NTS Communications, Inc. SAC 449024, by its authorized representative, files its FCC Form 481 - Carrier Annual Reporting Data Collection Form in compliance with 47 C.F.R. §§ 54.313 and 54.422.

The FCC Form 481 has been completed, certified, and submitted to the Universal Service Administrative Company.

A copy of the FCC Form 481 is also being submitted to the state regulatory commission pursuant to §§ 54.313(i) and 54.422(c).

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Lisa A. McLaughlin". The signature is written in a cursive, flowing style.

Lisa A. McLaughlin  
Authorized Representative for  
NTS Communications, Inc.

LAM/pjf

Attachment

cc: Ms. Jessica Salazar – NTS Communications, Inc.

**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	449024
<015> Study Area Name	NTS COMMUNICATIONS
<020> Program Year	2014
<030> Contact Name: Person USAC should contact with questions about this data	Jessica Salazar
<035> Contact Telephone Number: Number of the person identified in data line <030>	806-797-0687
<039> Contact Email Address: Email of the person identified in data line <030>	jessica@ntscom.com

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report			
<300> Unfulfilled Service Requests (voice)	17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	449024tx310 (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)		<input type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	11.0		
<420> Mobile			
<430> Number of Complaints per 1,000 customers (broadband)		<input type="checkbox"/>	<input type="checkbox"/>
<440> Fixed			
<450> Mobile			
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> 449024tx510	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> 449024tx610	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<1010> <input type="checkbox"/>	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<3000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

<b>(100) Service Quality Improvement Reporting Data Collection Form</b>		FCC Form 481
		OMB Control No. 3060-0986/OMB Control No. 3060-0819
		July 2013

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-0607
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntecom.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input checked="" type="radio"/> (yes) <input type="radio"/> (no)
<111>	If your answer to Line <110> is yes, do you have an existing "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> (yes) <input type="radio"/> (no)

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

Name of Attached Document (.pdf)

Please check these boxes below to confirm that the attached PDF, on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113>	Maps detailing progress towards meeting plan targets	<input type="checkbox"/>
<114>	Report how much universal service (USF) support was received	<input type="checkbox"/>
<115>	How (USF) was used to improve service quality	<input type="checkbox"/>
<116>	How (USF) was used to improve service coverage	<input type="checkbox"/>
<117>	How (USF) was used to improve service capacity	<input type="checkbox"/>
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	<input type="checkbox"/>

[illegible]

[illegible]

[710] Broadband Price Offerings  
Data Collection Form

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-9687
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntscom.com

[illegible]

[illegible]

**(900) Tribal Lands Reporting  
Data Collection Form**

<010>	Study Area Code	443024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	896-797-0687
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntscom.com

<910> Tribal Land(s) on which ETC Serves

<920>	Tribal Government Engagement Obligation	Name of Attached Document (.pdf)

If your company serves Tribal lands, please select (Yes/No, NA) for each of these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

		Select (Yes, No, NA)
<921>	Needs assessment and deployment planning with a focus on Tribal community anchor institutions;	
<922>	Feasibility and sustainability planning;	
<923>	Marketing services in a culturally sensitive manner;	
<924>	Compliance with Rights of way processes	
<925>	Compliance with Land Use permitting requirements	
<926>	Compliance with Facilities Siting rules	
<927>	Compliance with Environmental Review processes	
<928>	Compliance with Cultural Preservation review processes	
<929>	Compliance with Tribal Business and Licensing requirements.	



<b>(1100) No Terrestrial Backhaul Reporting</b>		FCC Form 481	
<b>Data Collection Form</b>		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
		July 2013	

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-0687
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntscom.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

**(1200) Terms and Condition for Lifeline Customers****Lifeline****Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-0687
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntscom.com

<1210>	Terms & Conditions of Voice Telephony Lifeline Plans	449024x1210	Name of attached document (.pdf)
<1220>	Link to Public Website	HTTP	

"Please check these boxes below to confirm that the attached PDF, on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,	<input checked="" type="checkbox"/>
<1222>	Details on the number of minutes provided as part of the plan,	<input checked="" type="checkbox"/>
<1223>	Additional charges for toll calls, and rates for each such plan.	<input checked="" type="checkbox"/>

(2009) Price Cap Carrier Additional Documentation

Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No: 3060-0986/OMB Control No: 3060-0819

July 2013

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-0687
<039>	Contact Email Address - Email Address of person identified in data line <030>	JessicaSalazar@ntsc.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting		
<2010>	2nd Year Certification {47 CFR § 54.313(b)(1)}	<input type="checkbox"/>
<2011>	3rd Year Certification {47 CFR § 54.313(b)(2)}	<input type="checkbox"/>

Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}		
<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}		
<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>

Connect America Phase II Reporting {47 CFR § 54.313(e)}		
<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached PDF, on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>

Name of Attached Document Listing Required Information

<2021>

<b>(2008) Rate Of Return Carrier Additional Documentation</b>		FCC Form 431	
<b>Data Collection Form</b>		OMB Control No. 3060-0936 OIAIR Control No. 3060-0819	
		NOV 2013	

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-0687
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntsc.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(g)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

	Progress Report on 5 Year Plan	Name of Attached Document Listing Required Information	
(3010)	Milestone Certification (47 CFR § 54.313(f)(1)(i)) Please check this box to confirm that the attached PDF, on line 3012, contains the required information pursuant to § 54.313 (f)(1)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.		<input type="checkbox"/>
(3011)	Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii)) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2)) If yes, does your company file the RUS annual report Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires: Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)		<input type="checkbox"/> (Yes/No) <input type="checkbox"/> (Yes/No)
(3012)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3013)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation		<input type="checkbox"/>
(3014)	If the response is no on line 3014, is your company audited?		<input type="checkbox"/>
(3015)	If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:		<input type="checkbox"/> (Yes/No)
(3016)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3017)	Management letter issued by the independent certified public accountant that performed the company's financial audit.		<input type="checkbox"/>
(3018)	If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:		<input type="checkbox"/>
(3019)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers.		<input type="checkbox"/>
(3020)	Underlying information subjected to a review by an independent certified public accountant		<input type="checkbox"/>
(3021)	Underlying information subjected to an officer certification.		<input type="checkbox"/>
(3022)	PDF of Balance Sheet, Income Statement and Statement of Cash Flows		<input type="checkbox"/>
(3023)	Attach the worksheet listing required information		<input type="checkbox"/>
(3024)			<input type="checkbox"/>
(3025)			<input type="checkbox"/>
(3026)			<input type="checkbox"/>

**Certification - Reporting Carrier  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	449024
<015>	Study Area Name	NTS COMMUNICATIONS
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035>	Contact Telephone Number - Number of person identified in data line <030>	806-797-0687
<039>	Contact Email Address - Email Address of person identified in data line <030>	jessica@ntscom.com

**TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:**

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

<b>Certification - Agent / Carrier Data Collection Form</b>	FCC Form 431 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	449024
<015> Study Area Name	NTS COMMUNICATIONS
<020> Program Year	2014
<030> Contact Name - Person USAC should contact regarding this data	Jessica Salazar
<035> Contact Telephone Number - Number of person identified in data line <030>	806-797-0687
<039> Contact Email Address - Email Address of person identified in data line <030>	jessica@ntscom.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Lisa A. McLaughlin</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	Lisa A. McLaughlin
Name of Reporting Carrier:	NTS COMMUNICATIONS
Signature of Authorized Officer:	CERTIFIED ONLINE
Printed name of Authorized Officer:	Guy Nissenon
Title or position of Authorized Officer:	CEO
Telephone number of Authorized Officer:	806-797-0687
Study Area Code of Reporting Carrier:	449024
Filing Due Date for this form:	10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	NTS COMMUNICATIONS
Name of Authorized Agent or Employee of Agent:	Lisa A. McLaughlin
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE
Printed name of Authorized Agent or Employee of Agent:	Lisa A. McLaughlin
Title or position of Authorized Agent or Employee of Agent:	Manager - Business Compliance
Telephone number of Authorized Agent or Employee of Agent:	512-343-2544
Study Area Code of Reporting Carrier:	449024
Filing Due Date for this form:	10/15/2013
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments

**LINE 310 – UNFILLED SERVICE REQUESTS**

NTS Communications, Inc. (the Company) had 17 requests for voice service that were unfilled at the end of 2012. Under the terms of the agreement with the ILEC that serves that area, they are under no contractual obligation to build additional facilities to fulfill requests for potential customers. These requests for service will not be filled.



**LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE**

NTS Communications, Inc. (the Company) complies with applicable service quality standards and consumer protection rules as required by the state regulatory commission and the Federal Communications Commission.

The rates, terms, and conditions under which the Company operates are outlined in its General Exchange Service Tariff, which is approved by the state commission. The Company's tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Company, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers.

Service quality standards are established by the state commission and the Company consistently meets or exceeds the standards and provides reports to the state commission, in accordance with the state commission's rules.

The protection of customers' privacy and information is of utmost importance and the Company has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information Rules (47 C.F.R. §§64.2001-64.2011). Certification and a description of those operating procedures are filed at the FCC annually.

**LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS**

NTS Communications, Inc. (the Company) is able to function in emergency situations. The Company has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Company is able to reroute traffic around damaged facilities. Although the Company's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

(800) Operating Companies  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-4819

July 2013

449024

<010> Study Area Code

<015> Study Area Name

NTS COMMUNICATIONS

<020> Program Year

2014

<030> Contact Name - Person USAC should contact regarding this data

Jessica Salazar

<035> Contact Telephone Number - Number of person identified in data line <030>

806-797-0687

<039> Contact Email Address - Email Address of person identified in data line <030>

jessica@ntscm.com

<810> Reporting Carrier

NTS Communications, Inc.

<811> Holding Company

N/A

<812> Operating Company

NTS Communications, Inc.

<813>

<a1>

Affiliates

NTS Telephone Company, L.L.C.

Pride Network, Inc.

Xfone USA, Inc.

<a2>

SAC

449052

289007

<a3>

Doing Business As Company or Brand Designation

NTS of Levelland

NTS Communications, Inc. (TX) & NTS of Louisiana

NTS Communications, Inc.

**Line 1210 – Terms & Conditions of Voice Telephony Lifeline Plans**

NTS Communications, Inc., (the Company) offers Lifeline subscribers a Lifeline discount of \$9.25 applied first to the monthly End User Common Line Charge (EUCL) of \$5.00 and the remainder to the stand-alone Local Line Residential rates of \$9.02 or \$8.02. The local line residential rate includes an unlimited amount of local calling minutes. Additional charges for toll calls associated with the stand-alone local line residential rate are billed at the rates of the long distance carrier chosen by the subscriber. The Company does not offer any local calling plans that are specific to Lifeline customers but Lifeline customers are not excluded from subscribing to bundles or packages with a voice telephony component offered by the Company. Attached are the pages from the Company's General Exchange Tariff pages describing the terms and conditions of Lifeline service.

12. Lifeline and Link Up Services

12.1 Lifeline Service

12.1.1 General Description

The Lifeline Program is a retail local exchange telephone service offering available to qualifying low-income customers.

The Company shall offer the following services or functionalities defined to be qualified, or designated, Lifeline Program Services:

Single party service, local usage, voice-grade access to the public Network, Dual tone multifrequency (DTMF) signaling or its functional equivalent, access to emergency services, access to operator services, access to interexchange services, access to directory assistance services, toll limitation.

A qualifying low-income customer subscribing to the Lifeline Program shall receive federal and state reductions to his/her monthly rate.

Nothing in this document shall prohibit a customer who is otherwise eligible for Lifeline Service from obtaining and using telecommunications equipment and services designed to aid such customer in utilizing qualifying telecommunications equipment or services designed to aid such customer in utilizing qualifying telecommunications services.

The Lifeline discount shall apply only to that portion of a bundled package that is for basic network services.

Customers who apply to receive Lifeline Service on bundled packages shall receive the same price as other consumers less the Lifeline discount that shall only apply to that portion of the bundled package bill that is for basic network service.

The Company may not disconnect the service of a Lifeline customer for the non-payment of toll charges. The Company will offer toll blocking at no charge.

The Company will not charge Lifeline customers a monthly number-portability charge.

The Company will waive the monthly Subscriber Line Charge (SLC) for Lifeline customers.

12. Lifeline and Link Up Services (cont'd)

12.1 Lifeline Service (cont'd)

12.1.2 Eligibility

Customer Eligibility Criteria: Lifeline discounts will be provided to qualified low-income customers and households. A customer is eligible for Lifeline Service if they meet one of the criterions below.

The customer's household income is at or below 150 % of the federal poverty guidelines; or

A customer receives benefits from or in whose household resides a person who receives or has a child that receives: Medicaid; Federal Pubic Housing Assistance; Food Stamps; Low-Income Home Energy Assistance Program (LIHEAP); Supplemental Security Income (SSI); State Child Health Plan under Chapter 62, Health and Safety Code; or

The customer is an eligible resident of tribal lands.

Obligations of the Customer

A current customer of the Company may be automatically enrolled in the Lifeline Service Program if they are a recipient of certain programs administered by the Texas Health and Human Service Commission (HHSC) or they may self-enroll by contacting the Texas Low- Income Discount Administrator (LIDA).

A customer who is eligible for the Lifeline Program, but does not have telephone service shall be responsible for initiating a request for the Lifeline Program from the Company.

12. Lifeline and Link Up Services (cont'd)

12.1 Lifeline Service (cont'd)

12.1.2 Eligibility (cont'd)

Obligations of the Customer (cont'd)

The LIDA reviews the customer applications received and determines if the customer meets the eligibility criteria. The LIDA shall provide a list of eligible customers to the Company on a monthly basis. A customer who believes that their self-enrollment application has been erroneously denied may request in writing that LIDA review the application, and the customer may submit additional information as proof of eligibility. A customer who is dissatisfied with LIDA's action following a request for review may request in writing that an informal hearing be conducted by the commission staff of the Public Utility Commission of Texas. A customer dissatisfied with the determination after an informal hearing may file a formal complaint pursuant to PUC Proc. R. § 22.242(e).

Lifeline Program customers will lose their Lifeline Program eligibility once they cease to meet income criteria or participate in one of the identified, qualified programs. Customers will be notified by the LIDA for loss of eligibility and an opportunity given to prove eligibility. The eligibility period for automatically enrolled customers is the length of their enrollment in HHSC benefits plus a period of 60 days for renewal. Automatically enrolled customers will have an opportunity to review their TDHS benefits or self enroll with LIDA upon the expiration of their automatic enrollment. Reduced billing under the Lifeline Program will be terminated if eligibility ceases.

Discontinuance of Lifeline discounts for customers who have self-enrolled. Individuals not receiving benefits through HHSC programs, but who have met Lifeline income qualification in subsection (d) of this section, are eligible to receive the Lifeline discount for seven months, which includes a period of 60 days during which the customer may renew their eligibility with LIDA for an additional seven months.

12. Lifeline and Link Up Services (cont'd)

12.1 Lifeline Service (cont'd)

12.1.3 Credit Verification and Deposits

The Company shall be prohibited from charging a service deposit in order to initiate the Lifeline Service Program if the eligible customer voluntarily elects to receive toll blocking.

**Credit Reference.** The credit verification procedures used for all applicants who apply for service with the Company will also be used for eligible customers applying for service under the Link-Up America Program.

**Deposits.** The deposit standards used for all applicants who apply for service with the Company will also be used for eligible customers applying for service under the Link-Up America Program, except that deposit requirements will be waived for eligible customers of the Link-Up America Program who voluntarily elect to receive toll blocking.

**Billing Standards.** \Once service has been established for a Link-Up America Program eligible customer, the customer will be expected to adhere to the same bill payment policies expected of any other customer.

12.1.4 Lifeline Service Discounts

The Company shall provide reduced billing for all qualified Lifeline customers within its service area within thirty (30) days after receipt of the initial list of customers from HHSC. In instances where the customer makes direct inquiries regarding participation in the Lifeline Program to the Company, the Company shall make every effort to assist the customer by explaining the necessary steps to become eligible to participate in the Lifeline Service Program and direct the customer to HHSC for completion of the required forms for eligibility certification.